GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3015
ANSWERED ON:07.12.2001
PERFORMANCE OF LIC
RAMESH CHAND TOMAR;SHYAMA SINGH;T.M. SELVAGANAPATHI

Will the Minister of FINANCE be pleased to state:

(a) whether the overall performance of LIC in the last few years has deteriorated;

(b) if so, the facts thereof and reasons therefor;

(c) the overall performance of private insurance companies so far; and

(d) the steps taken by the Government to improve the performance and financial health of LIC?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH):

(a) and (b) No, Sir. The overall performance of Life Insurance Coproation of India (LIC)has been good during last few years. Details regarding growth in new business (first premium income) of LIC from 1998 to 2001 is given at the statement enclosed.

(c) Since insurance sector has only recently been opened up to private companies, it is too early to assess their overall performance.

(d) As mentioned at (a) & (b) above,the overall performance of LIC has been good duringthe last few years. Government has further delegated functional autonomy to LIC and has also inducted experts from various fields on the Board of the Corporation.